Pacific Gas and
Electric Company ™

Valerie J. Winn
Manager
State Agency Relations

Mailing Address
P.O. Box 770000
San Francisco, CA 94177

Street/Courier Address
77 Beale Street, Room 1060
San Francisco, CA 94105

(415) 973-3839
Fax: (415) 973-7226
Internet: vjw3@pge.com

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VIA E-MAIL
DOCKET@ENERGY.STATE.CA.US

California Energy Commission
Dockets Office, MS-4
Re: Docket No. 11-IEP-1L
1516 Ninth Street
Sacramento, CA 95814-5512

Re: 2011 Integrated Energy Policy Report: Comments of Pacific Gas and Electric Company on Transportation Committee Workshop on Transportation Energy Demand and Fuel Infrastructure Requirements

I. INTRODUCTION

Pacific Gas and Electric Company ("PG&E") appreciates the opportunity to provide comments on the draft staff report "Transportation Energy Forecasts and Analyses for the 2011 Integrated Energy Policy Report." PG&E's limited comments focus on issues relating to electric vehicles. PG&E is happy to discuss these comments with the California Energy Commission ("CEC") staff should additional information be needed.

II. TRANSPORTATION ELECTRICITY RATES MAY BE UNDERSTATED

Appendix B contains the detailed assumptions used by CEC staff to determine transportation electricity prices for current residential electric vehicle rates for PG&E and other load serving entities. More specifically, Table B-7 (at page B-13) sets forth the 2010 cents per gasoline gallon equivalent for transportation electricity prices. PG&E is concerned that this table may overstate the cost of using electricity to fuel transport. The cost per gallon should be measured as the price of gasoline divided by the number of kilowatt-hours generated by that gallon of gasoline * 10. That amount would then be multiplied by PG&E's full retail rate. PG&E has estimated that the gasoline gallon equivalent for 2011 is approximately $1.20 to $2.00, not the $4.15 shown in Table B-7. PG&E requests clarification on the methodology for determining a gasoline gallon equivalent price for electricity and the assumptions behind the calculations.

III. PLUG-IN ELECTRIC VEHICLE CHARGING PROFILES MAY NEED TO BE ADJUSTED

At page B-11, the assumptions for determining the estimated price for 2010 are shown. Among those assumptions is that 88 percent of all electric vehicles will occur in the off-peak hours and that this charging profile will not be influenced by changes or differences in rate structures.

PG&E is curious as to how staff arrived at this assumption. No analysis or citations are provided to help PG&E better understand how this rate was determined. Given the significant off-peak charging assumptions and uncertainties about customer behavior, more information is needed to determine how the number was derived or whether it is the appropriate percentage.

IV. ASSUMPTIONS ABOUT ELECTRIC VEHICLE ADOPTION MAY BE AGGRESSIVE

Figure 3-8 charts a variety of assumptions about electric vehicle penetration by 2020. PG&E is concerned that some of these estimates are optimistic, given nationwide goals of 1 million electric vehicles by 2015. If PG&E is interpreting figure 3-8 correctly, it would appear that all 1 million electric vehicles are forecasted to be in California, which may not be realistic. Furthermore, by 2020, Figure 3-8 projects nearly 3 million electric vehicles in the state, a steep trajectory from 2015 levels. Given today's economic climate, such an aggressive adoption of electric vehicles may not materialize.

Lastly, additional information on the split between plug-in hybrid electric vehicles and battery vehicles should be provided. Given that we are in early stages of market development, we are unclear about customer choice between Plug-in Hybrid Electric Vehicles and Battery Electric Vehicles. More information on this issue would be helpful.

V. CONCLUSION

Thank you for the opportunity to submit our very limited questions and comments on the very thorough draft Staff Report. PG&E is happy to discuss its concerns and recommendations with CEC staff.

Sincerely,

Valerie J. Winn

cc: G. Strecke by email (gstrecke@energy.state.ca.us)